27 JUL 1962

MEMORANDUM FOR: Mr. Warner

SUBJECT:

Joint Resolution of 1 July 1962 (PL 87-513)

76 Stat. 125

1. I discussed with Mr. John Moore, General Accounting Office, the question of whether the Joint Resolution of 1 July 1962 (PL 87-513), making continuing appropriations for the fiscal year 1963, limited the Agency to one-twelfth of its fiscal 1962 budget as well as each project within the Agency to one-twelfth of its budget.

2. Mr. Moore could not recall this question having ever been posed to GAO even informally. He stated that, while CIA technically would be limited to the rate of expenditure approved for fiscal 1962, he believed that so long as we did not exceed our budget for fiscal 1963 as finally approved we would not be questioned by either the GAO auditors or the Department of Treasury. He concluded, therefore, that we would not be limited to one-twelfth of our fiscal 1962 budget for the month of July 1963 nor would any particular project be so limited. He added that the General Accounting Office would stand behind this determination.

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